

FEDERAL WORK STUDY AND AMERICORPS

Background

Originally created in 1964, the Federal Work Study (FWS) Program enables students to earn money for their college education through part-time work. The law creating the program specifically stated that students would work either for their school, or perform work that was in the public interest at nonprofit organizations.

In practice, FWS generally funds 75 percent of a student's wages. The student's school (college, university, vocational/technical school) must match the remaining 25 percent.

Community Service Terms and Requirements

Since 1964, several laws have slowly refocused attention on the community service aspect of FWS. Two laws passed in the 1990s have actually created community service requirements for schools accepting FWS funds.

The Higher Education Amendments of 1992 required that all institutions receiving FWS funds use at least 5 percent of their total FWS allocation to employ students in community service. The 1998 reauthorization of the Higher Education Act of 1965 increased this community service requirement to 7 percent.

While there have been suggestions and proposals to raise the community service requirement as high as 50 percent, the current requirement remains at 7 percent.

For purposes of the FWS Program, community service is defined as

services which are identified by an institution of higher education, through formal or informal consultation with local nonprofit, government, and community-based organizations, as designed to improve the quality of life for community residents, particularly low-income individuals, or to solve particular problems related to their needs.¹

Community service placements can be located on or off-campus, but FWS students at on-campus placements must work at programs that are available to the public. Institutions are also required to support at least one project that employs FWS students as family literacy or literacy tutors for pre- and elementary school students.

Schools who have FWS students engaged in community service can reduce or entirely waive matching fund requirements:

¹ See *Expanding Federal Work-Study and Community Service Opportunities* at <http://www.ifap.ed.gov/IFAPWebApp/currentFWSGuidePag.jsp> or *Brief History of the Federal Work-Study Program* at www.compact.org/national/fwshistory.html.

1. FWS will fully fund the wages for any FWS student employed as a reading tutor for preschool or elementary school children, a math tutor for elementary through ninth grade students, or a family literacy tutor.² Many college and university campuses have successfully taken advantage of this full waiver by participating in America Reads and America Counts programs. Schools using these waivers of the institutional-share requirement are not required to make a request to the Department of Education.³
2. Institutions can use FWS funds to pay up to 90 percent of a FWS student's wages if the student is employed at a private nonprofit organization or a federal, state or local government agency that otherwise would be unable to afford the costs of this employment.

FWS can support many of the costs associated with a community service program. Specifically, schools can use FWS funds to:

1. fund administration and management of the community service program through their FWS Administrative Cost Allowance (ACA);
2. pay for the time that FWS students spend in training and ongoing support activities, provided that these activities are reasonable;
3. compensate FWS students for **time** spent traveling to and from their community service job. Reimbursement for travel expenses such as gas or bus fare is, however, unallowable.

Implementation of FWS Community Service Placements

Organizations considering a partnership with an institution of higher education should consider several issues in their discussions with the college or university.

Partners should clearly establish whether the school or the AmeriCorps placement site/legal applicant is the employer of the FWS student. Generally speaking, the employer will control the students' work, supervise them at the work site, regulate their hours of work and generally ensure that they perform their duties properly. FWS regulations do not indicate a preference for the legal employer.

Partners should have signed contacts that explicitly outline the roles and responsibilities of the school and the off-campus partner. Sample documents, including a contract, can be found in the appendices at www.ed.gov/offices/OPE/pubs/WorkStudy/index.html.

All partners should consider liability and risk management factors. Although most colleges and universities have procedures for student-related activities, FWS community service program activities may not be covered.

Applicants with specific questions about risk management and FWS in their programs should consult with appropriate offices (typically, a risk management office or community service-learning center) at their local college or university.

² See *Federal Work Study and Community Service* at www.nationalservice.org/areads/FWS/fwsservice/fwspaper00-01.pdf.

³ See *Frequently Asked Questions about Federal Work Study* at www.nationalservice.org/areads/fws/fwsfaqprint.html.

While high-level support (such as the college or university president's office) is also very helpful, an outside organization's first point of contact with the institution of higher education should generally be the financial aid office.

Partners should also consider transportation arrangements for FWS students in placements that are off-campus. Individual colleges and universities may have access to vans or other resources.

AmeriCorps Partnerships with Colleges/Universities

The combination of Federal Work Study, AmeriCorps and college students is a powerful one that has benefited campuses, students, communities, and community-based organizations. FWS students typically work an average of 10-20 hours per week. Nonprofit organizations consequently benefit from a pool of students who are able to work more hours on a regular basis than most volunteers. Colleges and universities benefit financially while establishing closer ties to their surrounding communities. Finally, students are able to contribute to communities while obtaining useful skills in fields such as education, health and child development.

The AmeriCorps living allowance and education award make AmeriCorps programs especially attractive to college students. AmeriCorps makes education awards available to all members who have successfully completed a term of service. Education awards can be used for approved costs associated with attending institutions of higher education, including tuition and student loans. Most college students complete a 450 or 300 hour term of service, providing AmeriCorps education awards of \$1,250 and \$1,000, respectively, in addition to the wages they receive.

Although there is a natural connection between AmeriCorps and FWS, organizations attempting to utilize FWS in their program design may encounter challenges specific to AmeriCorps programs. Current AmeriCorps programs and AmeriCorps planning grantees have reported that some institutions of higher education are not familiar with FWS regulations as they apply to AmeriCorps.

There is no prohibition against using FWS funds to support AmeriCorps members' living allowances. In fact, a number of public and private California colleges and universities have done so.

Organizations also report that AmeriCorps programs using FWS funds face challenges in meeting match requirements. Applicants should, however, note that using any FWS funding in an AmeriCorps program can reduce the required amount of cash match. For more information on FWS, member living allowances and cash match please see "FWS and the AmeriCorps Budget" below.

FWS and the AmeriCorps Budget

Use of FWS in an AmeriCorps program has three specific and tangible benefits. It reduces the amount of required cash match, enables a program to devote more of an AmeriCorps grant to

program operating costs (member training, staffing, etc.) and provides a platform for recruiting members.

A school supporting an AmeriCorps program with FWS can do so in one of two ways:

1. A program can use FWS to fully fund a member's living allowance, making the student an "unstipended member." For purposes of the AmeriCorps grant, a member is unstipended if the grant does not fund that member's living allowance. All other member benefits – including the education award – remain unchanged.
2. A program can use FWS to partially fund a member's living allowance. In this case, members' living allowances would be paid using a combination of FWS, AmeriCorps grant funds and outside matching funds. Programs are cautioned that once a wage has been established, the program must continue to "pay" its AmeriCorps members at that rate. For example, a program could not establish a FWS-supported living allowance and then decrease this allowance once other funds take the place of FWS because a student's FWS allocation has run out.

By funding member living allowances through FWS, a college or university can drastically increase the amount of AmeriCorps funding available for line items such as staff salaries, staff benefits, travel for staff or members, equipment, supplies, consultants, training for staff or members, and evaluation.

For example, a program might utilize college students as AmeriCorps tutors. Since the program engages 80 quarter-time members (20 FTE) at a cost per FTE of \$10,000, the AmeriCorps grant is \$200,000. The tutoring program has decided to pay a living allowance that is the equivalent of \$10 per hour. See the following two budget scenarios for specifics.

Under Scenario I, the program uses a combination of FWS, AmeriCorps and other matching funds. FWS funding supports 350 hours of the members' living allowance. The AmeriCorps grant and matching funds support the remaining 100 hours (the 350 FWS hours are not reflected in the budget since the program already has the funding for these hours and does not need an AmeriCorps grant for them). As the Scenario I budget shows, the tutoring program has \$126,798 available for program operating costs such as staffing, training, supplies, equipment and travel.

Under Scenario II, the program does not have access to FWS and supports member costs through an AmeriCorps grant and matching funds. Member living allowances take up the bulk of the budget, leaving \$8,211 for program operating costs. At this point, the applicant would need to raise its cost per FTE to effectively manage its tutoring program.

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BUDGET FORM, SCENARIO I

SECTION I: PROGRAM OPERATING COSTS						
	Column 1		Column 2	Column 3	Column 4	Column 5
				Total Program Cost	Corporation Funds Requested	Grantee Match
(Grantee Funds minimum 33% of total Operating Costs) Subtotal SECTION I.				\$ 189,250	\$ 126,798	\$ 62,452
SECTION II: MEMBER COSTS				Column 3	Column 4	Column 5
A. Living Allowance	Amount	No. of Members with Living Allowance	No. of Members without Living Allowance			
1 year Full Time 1700 hours	\$ -			\$ -	\$ -	\$ -
1 year Half Time 900 hours	\$ -			\$ -	\$ -	\$ -
1 year Reduced Half Time 675 hours	\$ -			\$ -	\$ -	\$ -
1 year Quarter Time 450 hours (\$10/hour)	\$ 1,000	80		\$ 80,000	\$ 68,000	\$ 12,000
1 year Minimum Time 300 hours	\$ -			\$ -	\$ -	\$ -
Subtotal - Living Allowance/FTE		20	0.00	\$ -	\$ -	\$ -
B. FICA (7.65% of Total Member Living Allowances)				\$ 6,120	\$ 5,202	\$ 918
C. Worker's Compensation (or other Death & Dismemberment coverage)				\$ -	\$ -	\$ -
D. Health Care (required for FT members, optional for PT; must meet CNCS reqs.)				\$ -	\$ -	\$ -
E. Other Member Costs				\$ -	\$ -	\$ -
Subtotal (add items A through E above, total not to exceed 85% CNS funds and provide minimum 15% Grantee Funds - Cash Match Only)				\$ -	\$ -	\$ -
(Grantee Funds minimum 15% of total Member Costs) Subtotal SECTION II.				\$ 86,120	\$ 73,202	\$ 12,918
SECTION III: ADMINISTRATIVE COSTS				Column 3	Column 4	Column 5
A.1 Grantee Administrative Costs (CNS provided: (Total of CNS Section I +Section II)* .0526*.80) (Grantee Match: Up to 10% Match allowed without approved Indirect Cost Rate)				\$ -	\$ -	\$ -
A.2 GO SERV's Share of Administrative Costs ((Total of CNS Section I +Section II) * .0526*.20				\$ -	\$ -	\$ -
B. Federally-approved or State-established Indirect Cost Rate (if applicable)				\$ -	\$ -	\$ -
Subtotal SECTION III.				\$ -	\$ -	\$ -
TOTAL PROGRAM OPERATING BUDGET				\$ -	\$ -	\$ -
(Sum of SECTIONS I and III)					max. 67%	min. 33%
TOTAL BUDGET COSTS				\$ 275,370	\$ 200,000	\$ 75,370
Corporation Cost per FTE					\$ 10,000	

2003-04 CALIFORNIA AMERICORPS APPLICATION

BUDGET FORM, SCENARIO II

SECTION I: PROGRAM OPERATING COSTS						
	Column 1		Column 2	Column 3	Column 4	Column 5
				Total Program Cost	Corporation Funds Requested	Grantee Match
(Grantee Funds minimum 33% of total Operating Costs) Subtotal SECTION I.				\$ 9,660	\$ 8,211	\$ 1,449
SECTION II: MEMBER COSTS				Column 3	Column 4	Column 5
A. Living Allowance	Amount	No. of Members with Living Allowance	No. of Members without Living Allowance			
1 year Full Time 1700 hours	\$ -			\$ -	\$ -	\$ -
1 year Half Time 900 hours	\$ -			\$ -	\$ -	\$ -
1 year Reduced Half Time 675 hours	\$ -			\$ -	\$ -	\$ -
1 year Quarter Time 450 hours (\$10/hour)	\$ 4,500	80		\$ 360,000	\$ 178,160	\$ 181,840
1 year Minimum Time 300 hours	\$ -			\$ -	\$ -	\$ -
Subtotal - Living Allowance/FTE		20	0.00	\$ -	\$ -	\$ -
B. FICA (7.65% of Total Member Living Allowances)				\$ 27,540	\$ 13,629	\$ 13,911
C. Worker's Compensation (or other Death & Dismemberment coverage)				\$ -	\$ -	\$ -
D. Health Care (required for FT members, optional for PT; must meet CNCS reqs.)				\$ -	\$ -	\$ -
E. Other Member Costs				\$ -	\$ -	\$ -
Subtotal (add items A through E above, total not to exceed 85% CNS funds and provide minimum 15% Grantee Funds - Cash Match Only)				\$ -	\$ -	\$ -
(Grantee Funds minimum 15% of total Member Costs) Subtotal SECTION II.				\$ 387,540	\$ 191,789	\$ 195,751
SECTION III: ADMINISTRATIVE COSTS				Column 3	Column 4	Column 5
A.1 Grantee Administrative Costs (CNS provided: (Total of CNS Section I +Section II)* .0526*.80) (Grantee Match: Up to 10% Match allowed without approved Indirect Cost Rate)				\$ -	\$ -	\$ -
A.2 GO SERV's Share of Administrative Costs ((Total of CNS Section I +Section II) * .0526*.20				\$ -	\$ -	\$ -
B. Federally-approved or State-established Indirect Cost Rate (if applicable)				\$ -	\$ -	\$ -
Subtotal SECTION III.				\$ -	\$ -	\$ -
TOTAL PROGRAM OPERATING BUDGET				\$ -	\$ -	\$ -
(Sum of SECTIONS I and III)					max. 67%	min. 33%
TOTAL BUDGET COSTS				\$ 397,200	\$ 200,000	\$ 197,200
Corporation Cost per FTE					\$ 10,000	

A college or university using FWS funds to support members also provides the AmeriCorps program with a network from which to recruit volunteers. The school's financial aid, community service, service-learning, student activities and other offices may be able to publicize and promote opportunities to serve in AmeriCorps.

Additional Resources

- Campus Compact is a national coalition of almost 850 college and university presidents committed to the civic purposes of higher education. Campus Compact's website contains useful background on FWS at www.compact.org/national/workstudy-index.html. The Campus Compact network includes state-based Campus Compacts, including one in California: www.sfsu.edu/~cacc/.
- Between 1996 and 1997, the federal government initiated efforts to strengthen the literacy and math skills of schoolchildren. The resulting projects were America Reads and America Counts. Many colleges and universities participated by mobilizing tutors funded through FWS. More information on math tutoring, literacy tutoring, and FWS is found at the Corporation for National and Community Service (CNCS) website at www.nationalservice.org/areads/FWS/index.html.
- Although there is no community service requirement for California state work study funds, participating colleges and universities may still be good potential partners for AmeriCorps programs. The California Student Aid Commission (CSAC) uses state work study and other funds to support several programs. Programs include:
 - Teaching Intern Program (TIP): State work study funds TIP, which supports students who provide tutoring services. More information on state work study and TIP, including participating campuses, is available at www.csac.ca.gov/doc.asp?id=115.
 - California Student Opportunity and Access Program (Cal-SOAP): Cal-SOAP programs provide outreach and services to low-income K-12 students or geographic regions with documented low-eligibility or college participation rates. More information is available at www.csac.ca.gov/doc.asp?id=38.
 - Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP): The GEAR UP project develops middle schools' organizational capacity to prepare students for high school and postsecondary education. More information is available at www.csac.ca.gov/doc.asp?id=200.

Eligibility for – and availability of – the CSAC funds and programs above varies according to campus. Potential applicants should follow the appropriate links and contact specific universities for further information.

California Program Examples

- Jumpstart is a nonprofit organization that recruits, trains, supervises and supports college students in working with Head Start and other early childhood programs to provide one-to-one attention to young children struggling in preschool.

Jumpstart California administers an AmeriCorps program that deploys more than 200 members from campuses in Sacramento, San Francisco, Fresno, Northridge, and Claremont. All of Jumpstart's AmeriCorps members are college students receiving Federal Work Study funds. Although Jumpstart California obtains financial data from its partner campuses, Jumpstart administers the AmeriCorps grant, provides training to members, submits required reports and manages program evaluation.

Jumpstart has developed a centralized site development process for new college and university partners. On each campus, Jumpstart establishes relationships with advocates such as financial aid administrators or college presidents. Although these advocates have varying levels of involvement in the day-to-day operation of the program, their support enables Jumpstart to make use of FWS in its program design.

- The California Community Colleges Chancellor's Office administers AmeriCorps programs on numerous campuses throughout the state. FWS, California Student Aid Commission (CSAC) state work study and CalWORKS work study support living allowances for many community college AmeriCorps members. These AmeriCorps members provide tutoring services and work with foster youth.

The Chancellor's Office is the administrator for the AmeriCorps grants. In this capacity, it provides fiscal and programmatic oversight, is the training and technical assistance provider, conducts program evaluation, monitors overall member enrollment, acts as the overall program developer, generates required AmeriCorps reports and develops subgrants with campuses. Participating campuses have program coordinators who manage day-to-day logistics and provide supervision for members.